

**General Excise/Use Tax Exemption For Certified or  
Approved Housing Projects**  
(Section 46-15.1 or 201G-116, HRS)

Please Type Or Print	Name of individual, trust, estate, partnership, association, company, or corporation		Hawaii Tax Identification No. W _____ - _____	
	Name under which business is operated		Type of Business/Service	
	Business address (Number and Street)		Contract Amount	
			\$	
	City, Island	Zip Code	GET/Use Tax exemption amount	
			\$	
	Project Name		Contract Number	Contract Effective Date
	Project Address		Tax Map Key Number	

The entity indicated above is contractually participating (Check the appropriate blocks to complete this sentence.)

in the (check applicable)

- ☐ planning  
☐ design  
☐ financing

- ☐ construction  
☐ sale  
☐ rental of  
affordable units

being developed by a (check one)

- ☐ non-profit entity  
☐ limited distribution mortgagor  
☐ private developer  
☐ public agency

pursuant to (check one)

- ☐ Section 46-15.1, HRS.  
☐ Section 201G-116, HRS.

The entity indicated above will import property, services, or contracting from the unlicensed sellers identified in Schedule A for use specifically related to the above-named project. The landed value of the imported property, services, or contracting is \$ \_\_\_\_\_ and is excluded from the imposition of the use tax pursuant to section 238-3(j), HRS. (Attach Schedule A.)

~~~~~ **DECLARATION** ~~~~~  
I declare under the penalties set forth in section 231-36, HRS, that this exemption and attached schedules, if any, are prepared in accordance with the provisions of section 46-15.1 or 201G-116, HRS, and the rules issued thereunder. It is further understood that the misuse of this exemption will lead to its revocation and/or the imposition of penalties provided by law.

|                                                    |                                                                                            |               |
|----------------------------------------------------|--------------------------------------------------------------------------------------------|---------------|
| _____<br>Signature of Taxpayer or Authorized Agent | _____<br>Contact Phone Number                                                              | _____<br>Date |
| _____<br>Type or Print Name                        | _____<br>Type or Print Title (Owner, Partner or Member, Officer, or Duly Authorized Agent) |               |

**See the reverse side for filing instructions**

~~~~~ **CERTIFICATION** ~~~~~  
This is to certify that the entity indicated above is contractually participating in the above mentioned project.

|  |  |
|--|--|
| _____<br>Signature of Certifying Officer | Certified _____<br>Date                              |
| _____<br>(Type or Print Name and Title)  | _____<br>(Name of Certifying County or State Agency) |

## GENERAL INSTRUCTIONS

**1. General Rule.** A qualified entity receiving gross income for the planning, design, financing, construction, sale or lease in the State of a housing project which has been certified or approved under section 46-15.1 or 201G-116, HRS, may file a General Excise/Use Tax Exemption For Certified or Approved Housing Projects (Form G-37). A separate Form G-37 shall be filed for each housing project claiming this exemption as an eligible housing project which is approved by the Housing and Community Development Corporation of Hawaii or any of the respective counties.

A qualified entity importing any property, services, or contracting to be used in a certified or approved housing project may file Form G-37.

The Housing and Community Development Corporation of Hawaii or any of the respective counties may certify for exemption from general excise taxes any qualified entity involved with a newly constructed or rehabilitated project development under section 46-15.1 or 201G-116, HRS.

**2. When to Prepare Form G-37.** Qualified entities shall prepare Form G-37 upon final execution of the contract for construction or moderate or substantial rehabilitation of an eligible housing project and submit the Form G-37 to the Housing and Community Development Corporation of Hawaii or the respective county for certification. A cumulative list of licensed suppliers and subcontractors is to be submitted by the developer or general contractor with Form G-37. Inclusion of a supplier or subcontractor on this list will not serve to certify the listed supplier or contractor for the exemption. The developer or general contractor of an eligible housing project shall submit Forms G-37 on behalf of any subcontractors, material houses, real estate sales agencies, or other entities involved with the planning, design, financing, construction, or sale of the housing project.

**3. Where to File Form G-37.** Submit this form to a certifying agency for approval. After certification by the Housing and Community Development Corporation of Hawaii or the respective county, the certifying agency will file the *original* (white) copy of the Form G-37 with the Oahu Office Audit Branch Chief. A *duplicate* (yellow) copy will be retained by the governmental agency certifying or approving the housing project. A *duplicate* (pink) copy will be given to the qualified entity for its records.

**4. Exemption from the General Excise Tax.** The exemption from the payment of the tax shall be claimed on the general excise tax return under column "b" and explained as "Section 237-29, HRS, Exemption" on Schedule D (Form G-45/G-49), Schedule of Exemptions and Deductions Claimed, attached to the tax return. To this extent, section 237-29, HRS, provides that:

- "(a) All gross income received by any qualified person or firm for the planning, design, financing, construction, sale, or lease in the State of a housing project which has been certified or approved under section 201G-116 shall be exempt from general excise taxes.
- (b) All gross income received by a nonprofit or a limited distribution mortgagor for a low and moderate income housing project certified or approved under section 201G-116 shall be exempt from general excise taxes.
- (c) The director of taxation and the housing and community development corporation of Hawaii shall adopt rules pursuant to chapter 91 for the purpose of this section, including any time limitation for the exemptions."

**5. Contract vs. GET Exemption Amounts.** Enter the total contract amount in the space provided. Enter in the space provided for "GET/Use Tax

exemption amount", the amount of the total contract which is qualified under section 237-29, HRS, or 238-3(j), HRS and chapter 15-175, Hawaii Administrative Rules (HAR). For example, equipment or tools that are purchased by the contractor for use during the contract then retained by the contractor as the contractor's assets do not qualify as exempt for general excise tax purposes. Section 15-175-2, HAR defines "allowable construction costs" to mean:

" . . . expenses incurred by a licensed contractor, for labor and materials which are to be incorporated by the contractor into the finished work or project required by the contract and which will remain in such finished work or project in such form to be perceptible to the senses."

If the full exemption amount is not used on the exempt project, the exemption is limited to the amount actually used on the project.

**6. Exclusion from the Use Tax.** The use tax is meant to complement the general excise tax. The use tax is an excise tax on the use of imported tangible personal property, services, or contracting in Hawaii purchased from one who is not licensed to do business in Hawaii.

The use of any property, services, or contracting related to the certified or approved housing project is not subject to the imposition of the use tax. The exemption applies to the tangible personal property, services, or contracting purchased from the unlicensed seller for a qualified project. If the full exemption amount is not used on the exempt project, the exemption is limited to the amount actually used on the project.

If the qualified entity is importing any property, services, or contracting for use in the certified or approved housing project, the qualified entity must complete Schedule A, List of Unlicensed Suppliers and Subcontractors. If a business on this list is determined by the Department of Taxation to be subject to Hawaii's General Excise or Use Tax on any part of the purchase listed by the qualified entity, the unlicensed seller may use a copy of this Schedule A as evidence of exemption certification of the sale to the qualified entity of tangible personal property, services, or contracting qualifying for the exemption under sections 237-29 and 238-3(j), HRS. This deemed certification is subject to verification by the Department of Taxation. The qualified entity may prepare and submit a separate Schedule A for each unlicensed supplier or subcontractor, if the entity anticipates providing a copy of the certification to the unlicensed seller and doesn't want to disclose its purchases from other sellers.

**7. Failure to File Form G-37.** The certified Form G-37 must be first filed with the Oahu Office Audit Branch Chief, otherwise, any amount claimed on the general excise tax return as an exemption under section 237-29, HRS, shall be disallowed.

**8. Section References.** The pertinent parts of sections 46-15.1 and 201G-116, HRS, and section 237-29, HRS, referred to above are as follows:

**"§46-15.1 Housing; county powers.** (a) Any law to the contrary notwithstanding, any county shall have and may exercise the same powers, subject to applicable limitations, as those granted the housing and community development corporation of Hawaii pursuant to chapter 201G insofar as such powers may be reasonably construed to be exercisable by a county for the purpose of developing, constructing, and providing low and moderate income housing; . . . provided further that county projects shall be granted an exemption from general excise or receipts taxes in the same manner as projects of the housing and

community development corporation of Hawaii, pursuant to section 201G-116; . . ."

**"§201G-116 Exemption from general excise taxes.** (a) In accordance with section 237-29, the corporation may approve and certify for exemption from general excise taxes any qualified person or firm involved with a newly constructed, or moderately or substantially rehabilitated project:

- (1) Developed under this subpart;
- (2) Developed under a government assistance program approved by the corporation, including, but not limited to, the United States Department of Agriculture - Rural Development 502 program Federal Housing Administration 235 program;
- (3) Developed under the sponsorship of a private nonprofit corporation providing home rehabilitation or new homes for qualified families in need of decent, low-cost housing; or
- (4) Developed by a qualified person or firm to provide affordable rental housing where at least fifty per cent of the available units are for households with incomes at or below eighty per cent of the area median family income, as determined by the United States Department of Housing and Urban Development, of which at least twenty per cent of the available units are for households with incomes at or below sixty per cent of the area median family income as determined by the United States Department of Housing and Urban Development.

(b) All claims for exemption under this section shall be filed with and certified by the corporation and forwarded to the department of taxation. Any claim for exemption which is filed and approved, shall not be considered a subsidy for the purpose of this subpart."

**"§237-29 Exemptions for certified or approved housing projects.** (a) All gross income received by any qualified person or firm for the planning, design, financing, construction, sale, or lease in the State of a housing project which has been certified or approved under section 201G-116 shall be exempt from general excise taxes.

(b) All gross income received by a nonprofit or a limited distribution mortgagor for a low and moderate income housing project certified or approved under section 201G-116 shall be exempt from general excise taxes.

(c) The director of taxation and the housing and community development corporation of Hawaii shall adopt rules pursuant to chapter 91 for the purpose of this section, including any time limitation for the exemptions.

**9. Changes to previously filed Form G-37s.** If your contract for work on a qualified project experiences substantial changes, you must file a revised, or amended, Form G-37 with the agency that certified your original submission. This revised Form G-37 must include the full amounts of the contract. A revised Schedule A must also be submitted, if applicable. "Substantial change" means that the change is more than 20% of the original contract amount or the change is more than \$200,000.

**General Excise/Use Tax Exemption For Certified or  
Approved Housing Projects**  
(Section 46-15.1 or 201G-116, HRS)

|                               |  |          |  |                         |
|-------------------------------|--|----------|--|-------------------------|
| Please<br>Type<br>Or<br>Print | Name of individual, trust, estate, partnership, association, company, or corporation |          | Hawaii Tax Identification No.<br>W _____ - _____ |                         |
|                               | Name under which business is operated  |          | Type of Business/Service                         |                         |
|                               | Business address (Number and Street)   |          | Contract Amount                                  |                         |
|                               |  |          | \$   |                         |
|                               | City, Island   | Zip Code | GET/Use Tax exemption amount                     |                         |
|                               |  |          | \$   |                         |
|                               | Project Name   |          | Contract Number                                  | Contract Effective Date |
|                               | Project Address  |          | Tax Map Key Number                               |                         |

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pursuant to (check one)

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The entity indicated above will import property, services, or contracting from the unlicensed sellers identified in Schedule A for use specifically related to the above-named project. The landed value of the imported property, services, or contracting is \$ \_\_\_\_\_ and is excluded from the imposition of the use tax pursuant to section 238-3(j), HRS. (Attach Schedule A.)

~~~~~**DECLARATION**~~~~~  
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**CERTIFYING GOVERNMENTAL AGENCY COPY**

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If the qualified entity is importing any property, services, or contracting for use in the certified or approved housing project, the qualified entity must complete Schedule A, List of Unlicensed Suppliers and Subcontractors. If a business on this list is determined by the Department of Taxation to be subject to Hawaii's General Excise or Use Tax on any part of the purchase listed by the qualified entity, the unlicensed seller may use a copy of this Schedule A as evidence of exemption certification of the sale to the qualified entity of tangible personal property, services, or contracting qualifying for the exemption under sections 237-29 and 238-3(j), HRS. This deemed certification is subject to verification by the Department of Taxation. The qualified entity may prepare and submit a separate Schedule A for each unlicensed supplier or subcontractor, if the entity anticipates providing a copy of the certification to the unlicensed seller and doesn't want to disclose its purchases from other sellers.

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- (1) Developed under this subpart;
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- (3) Developed under the sponsorship of a private nonprofit corporation providing home rehabilitation or new homes for qualified families in need of decent, low-cost housing; or
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**General Excise/Use Tax Exemption For Certified or  
Approved Housing Projects**  
(Section 46-15.1 or 201G-116, HRS)

|                               |  |          |  |                         |
|-------------------------------|--|----------|--|-------------------------|
| Please<br>Type<br>Or<br>Print | Name of individual, trust, estate, partnership, association, company, or corporation |          | Hawaii Tax Identification No.<br>W _____ - _____ |                         |
|                               | Name under which business is operated  |          | Type of Business/Service                         |                         |
|                               | Business address (Number and Street)   |          | Contract Amount                                  |                         |
|                               |  |          | \$   |                         |
|                               | City, Island   | Zip Code | GET/Use Tax exemption amount                     |                         |
|                               |  |          | \$   |                         |
|                               | Project Name   |          | Contract Number                                  | Contract Effective Date |
|                               | Project Address  |          | Tax Map Key Number                               |                         |

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|                                                    |                                                                                            |               |
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|  |  |
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**TAXPAYER'S COPY**



## GENERAL INSTRUCTIONS

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**"§46-15.1 Housing; county powers.** (a) Any law to the contrary notwithstanding, any county shall have and may exercise the same powers, subject to applicable limitations, as those granted the housing and community development corporation of Hawaii pursuant to chapter 201G insofar as such powers may be reasonably construed to be exercisable by a county for the purpose of developing, constructing, and providing low and moderate income housing; . . . provided further that county projects shall be granted an exemption from general excise or receipts taxes in the same manner as projects of the housing and

community development corporation of Hawaii, pursuant to section 201G-116; . . ."

**"§201G-116 Exemption from general excise taxes.** (a) In accordance with section 237-29, the corporation may approve and certify for exemption from general excise taxes any qualified person or firm involved with a newly constructed, or moderately or substantially rehabilitated project:

- (1) Developed under this subpart;
- (2) Developed under a government assistance program approved by the corporation, including, but not limited to, the United States Department of Agriculture - Rural Development 502 program Federal Housing Administration 235 program;
- (3) Developed under the sponsorship of a private nonprofit corporation providing home rehabilitation or new homes for qualified families in need of decent, low-cost housing; or
- (4) Developed by a qualified person or firm to provide affordable rental housing where at least fifty per cent of the available units are for households with incomes at or below eighty per cent of the area median family income, as determined by the United States Department of Housing and Urban Development, of which at least twenty per cent of the available units are for households with incomes at or below sixty per cent of the area median family income as determined by the United States Department of Housing and Urban Development.

(b) All claims for exemption under this section shall be filed with and certified by the corporation and forwarded to the department of taxation. Any claim for exemption which is filed and approved, shall not be considered a subsidy for the purpose of this subpart."

**"§237-29 Exemptions for certified or approved housing projects.** (a) All gross income received by any qualified person or firm for the planning, design, financing, construction, sale, or lease in the State of a housing project which has been certified or approved under section 201G-116 shall be exempt from general excise taxes.

(b) All gross income received by a nonprofit or a limited distribution mortgagor for a low and moderate income housing project certified or approved under section 201G-116 shall be exempt from general excise taxes.

(c) The director of taxation and the housing and community development corporation of Hawaii shall adopt rules pursuant to chapter 91 for the purpose of this section, including any time limitation for the exemptions.

**9. Changes to previously filed Form G-37s.** If your contract for work on a qualified project experiences substantial changes, you must file a revised, or amended, Form G-37 with the agency that certified your original submission. This revised Form G-37 must include the full amounts of the contract. A revised Schedule A must also be submitted, if applicable. "Substantial change" means that the change is more than 20% of the original contract amount or the change is more than \$200,000.